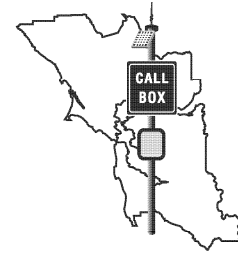




MTC SAFE



Memorandum

TO: Operations Committee

DATE: January 2, 2008

FR: Executive Director

W.I.: 1231, 1232, 1235

RE: MTC SAFE FY 2008-09 Budget – SAFE Resolution No. 52 – Revised

Staff recommends that this Committee refer the revised FY 2008-09 MTC SAFE budget (Attachment A) to the Authority for approval. This memorandum summarizes proposed changes from the original FY 2008-09 budget approved in June 2008, which are primarily adjustments to projects in the SAFE Capital Program, as well as a number of minor changes to the operating budget. The net effect of the proposed budget revision is a return of \$924,391 to MTC SAFE reserves.

Operating Budget changes

New accounting practices were initiated this fiscal year, which changed the manner in which prior year contract balances were carried into the current fiscal year. An adjustment of \$185,609 in the operating budget is needed to account for carryovers for Mobile Call Box, CHP Staffing Study, financial audit and other adjustments. Contract values for these activities have not changed.

This budget amendment also contains one minor modification to the Operating Budget. The CHP Funding Agreement, previously budgeted for \$147,000, is proposed to increase by \$25,000 in order to allow the CHP to conduct two maximum enforcement days where all officers in cooperation with MTC staff conduct surprise inspections of the entire FSP fleet.

Capital Budget changes

(a) BATA is providing an additional \$200,000 to install SAFE call boxes on toll bridges. These funds will supplement the MTC SAFE budget for bridge call boxes and installation support services during the implementation of the bridge systems upgrade project.

(b) A review has been conducted of the SAFE capital program to determine whether some long-term projects can be down-scoped, closed out, or deferred in order to return revenues to the SAFE operating reserve. The following are the recommended modifications:

Call Box Program

| Project | Proposed change | Revision | Capital Program Revised |
|-------------------|------------------------|------------------|--------------------------------|
| Bridge Call Boxes | Increase | \$200,000 | \$2,761,000 |

Freeway Service Patrol Program

| Project | Proposed change | Revision | Capital Program Revised |
|-----------------------------|------------------------|--------------------|--------------------------------|
| FSP Data System Upgrade | Decrease | (\$100,000) | \$1,100,000 |
| In-Vehicle Eqpt Replacement | Eliminate | (\$100,000) | \$0 |

Incident Management Program

| Project | Proposed change | Revision | Capital Program Revised |
|--------------------------|---|--------------------|--------------------------------|
| Freeway Camera Upgrades | Increase; transfer from Freeway Detection | \$500,000 | \$8,417,583 |
| Radio Interoperability | Decrease | (\$735,000) | \$430,000 |
| Video Incident Detection | Defer | (\$200,000) | \$0 |
| Freeway Detection | Eliminate; transfer to Camera Upgrade | (\$500,000) | \$0 |

The net result of the proposed Capital Program changes (not including the \$200,000 revenue from BATA for Bridge Call Boxes) is a return of \$1.135 million to the SAFE operating reserve.

A comprehensive review of the SAFE budget will be provided in several months. However, staff's early analysis indicates that these revisions, in conjunction with the commitment in T-2035 to maintain funding for MTC's regional operations programs, will ensure that the SAFE reserve should stabilize, and core SAFE activities can be sustained at their current level into the foreseeable future.

Recommendation

Staff recommends that the Committee refer MTC SAFE Resolution No. 52 Revised, to the Authority for approval.

Steve Heminger

SH:JM

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